Speaker 1: 00:00 That's cool. And we get that. But I mean, we could talk about it and you guys can cut out whatever since we're recording instead of being live.

Speaker 2: 00:09 Yeah. You know, this [inaudible] which is worth noting that if, if you're answering something and you kind of get halfway through your answer and you go, wait a minute, I want to rephrase that. Yeah, no problem. You know, we'll just, we can edit, we can edit that out. You can just edit that out. I had to do the editing, it'd be up to it and it'd be like, I'm sorry. There you go. Is how we do it. Yeah, that's it. Um, yeah, so, you know, we've asked some people, and again, it's, it's more often with people who have been doing the circuit and they've, they've done a hundred plus interviews and everybody asks them the exact same question, just tired of it. So, um, and or politics, we've gotten a couple of people who said, you know what, this is, you know,

Speaker 1: 00:57 well, it's, it's hard for me because a lot of my clients are very, very prominent libertarians. And so I have to be very careful about talking about, I have to be, I have to be really careful about talking about regulation and topics like that because Oh yeah. They, um, they, they wouldn't appreciate that. No. They, they absolutely wouldn't. And, um, I respect them as clients, but I don't agree with their

Speaker 2: 01:26 views on anything at all. Yeah.

Speaker 1: 01:31 So that's why I'm, I'm kind of okay with talking about regulatory capture, but I still have to be careful of,

Speaker 2: 01:39 so, but civics, you can talk about the insights you got from the game. Yeah. And that's, that's a safe cause again, what's nice about this and probably one of the things I'll talk about, I think maybe in the grooving session. All right. So one of the things that we've been been focused on, um, a lot I think over the course of this, but I think we're, we're actually gonna put a bigger push on it in 2020 is some ethics questions. Uh, that's like my entire book. Yeah, exactly. Yeah. So, I mean, if you think about this, uh, you know, some of the, the, so you know, ethics, uh, how, so how did ethics show up in there? So I might ask you some of those questions and then Tim will always ask some music shit at the end. So yeah. What kind of musical stuff I would be good to talk about. I actually

Speaker 1: 02:31 had to find an answer to the music questions because I just listened to whatever YouTube recommends. Okay. And okay, I looked up those bands and I realized something alarming and

that's that all of them were started between like 1995 and 2000 and I realized, Oh no, I, I do that thing that old people do where I listened to music from the same time period. Yeah. We've

Speaker 3: 03:00 gone over that. Some of those things. That's actually an interesting cause there's research, right? There's good formative years that those are it. And I just,

Speaker 2: 03:08 no, I shouldn't tell this to my wife because I've been making fun of like, Oh, this isn't thing that old people do. They listen to music from the same time.

Speaker 3: 03:18 And now you're realizing you might be an old person. I might be. How old are you? I'm 32. Yes. So I don't know if you can really qualify yourself as an old person given you're over 30. All right. There you go. That's what I've said my entire life. And when I turned 30, I got so much crap from everybody who I've been saying that to. That's okay. I'm 52. I feel 32. All right, are we ready? You act 32. Sometimes I come 12. So there you go. That's, that's even better. Uh, so

Speaker 2: 04:01 again, we're, we'll go down whatever rabbit hole we kind of go, as Tim said. Um, you know, we, we've listened to the show. You've seen us, you know, um, we're, we're not trying to, to do any gotchas or anything like that, so we're just gonna have fun with this. Make it short. Uh, the, the one thing, keep answers short, if you can obviously get into enough detail on them. It's conversational. But, um, that's the one piece that the, the one advice I give all our guests cause it seems to be the one that people don't get. Um, sometimes, well I've, I've heard other podcasts where they encourage people to just keep talking and sometimes, and sometimes you know, if it's, uh, if you're telling a narrative story and it's really good. Yeah, that's great. Um, like getting into the background of, of, of how you started, probably a longer explanation than when we start talking about, um, you know, how does this pertain to the real world or how has to understand how that new information piece works. Right. Um, you know, but we also have had guests who will rename unnamed, um,

Speaker 3: 05:16 [inaudible]

Speaker 2: 05:16 who I, you asked the question gets asked and then, then they just like go, well, when I was a kid

Speaker 3: 05:24 I started thinking about this and then I went on a, on a vacation and then, you know, and then it's like, just answer the damn

question and get, you know, and then, yeah, it's the classic ask someone for the time and they tell you how to build a watch. We've had some of those experiences and that's amazing. Yeah. So, but you'd never know because that gets edited out by our magical editors. We do have some fricking great editors. We have a good editorial. No, that would be different. An

Speaker 4:	05:58	editorial staff that would be different wouldn't it?
Speaker 2:	06:01	Lift the staff of one. There you go. All right, let you get started. What is, I think we're ready. We're ready. All right, my, my sound good. You sound good. You sound great. All right. How do you know he's listening? Watching, watching the meters sounded great. Uh, so

Tim:		Andrew Wagner, welcome to the Behavioral Grooves podcast studios.
Andrew:		I'm so happy to be here.
Tim:	06:32	Yeah, we're happy that you're here too. We've known you a couple of years now cause you've been coming to
Tim:	06:39	the behavioral grooves meetups. So yeah.
		And I have to say, I feel like being on your podcast is like earning a lifetime achievement.
Tim:	06:48	I'm so happy we're going to, how are we going to have to get a little medal now or lifetime achievement? You're going to get the little certificate that you can wear. We'll have a special name badge for you when you come to the next meeting. I supposed to get a lifetime achievement before you're 35 though. That's what it feels like anyway. Right. Anyway, so
Kurt:	07:12	we always start off with a speed round as you know. So we're going to get that going and I will start the speed round today. Go ahead. Cause I just said I'm going to start the seed round and that's how this works. All right. All right.
Kurt:		Coffee, tea, soda.
Andrew:		It has to be tea, tea.
Kurt:		All right. There you go. Okay.

Tim:	07:32	Life. The rest of your life without a laptop or the rest of your life without a mobile phone.
Andrew:	07:37	Uh, I could go without the mobile phone. Ooh, a 30, under 35. I think this may be the first time we've had, uh, somebody under 35. Chief picked that one. I have multiple laptops and I don't want to get rid of any of it.
Kurt:	07:54	Okay. You go.
Speaker 2:	07:57	All right. Which is better: Fire essence or alchemy. I don't know what fire essences. Oh,
Speaker 3:	08:06	there you go. So, so alchemy is better.
Speaker 4:	08:09	Okay. So we're going to work, we're going to say alchemy is better. So, uh, which is more important than economics lesson that you accidentally get from an online game or to intentionally use an online game to teach economics?
Speaker 2:	08:22	Um, I don't know. I would say those are equally important
Kurt:	08:27	really. Okay, great. Well let's talk about that. So, um, so your book, which is coming out very shortly, right? Yeah. Um, uh, but by the time, by the time we produced this, uh, the book will have come out and is the economics of online gaming, uh, from the business expert press, um, talks about the economics of a specific online game. Tell us a little bit about the book. Why, why should readers pick up the book? Well, the is that,
Speaker 1:	08:58	and I know economists won't like it when I say this, but economics is kind of boring. Oh my gosh. I will, I will.
Speaker 4:	09:05	I agree with that 100% and I am out loud. I have an economics undergrad and uh, you know, there you go. All of our economics listeners are just tuning out now. Well,
Speaker 1:	09:16	it's, it's tough because economics is hard. And if you can get over the fact that it's hard, then you have to still find a way to get over the fact that it's not very exciting for most people. So the idea that I'm trying to do is make it a little more interesting by focusing on those human psychological things instead of just talking about the math behind how people make decisions. It's showing the people behind the math first and giving them some kind of story and stories I think are far more interesting than math. Economists might disagree about that, but that's, you know, the number of economists I, I would, I would actually

think most economists would actually agree with that. Well, that's good. There you go. Yeah. They may not understand how to do it, but they would agree with that fact. So,

Speaker 4:	10:14	but you actually bring in a really interesting perspective because it's not just a narrative or a story. It is this utilizing an online gaming environment that you live through as these lessons on economics. Is that a fair way of stating it? Yeah, that's a good way to

Speaker 1:	10:36	describe it. The, the reason that this kind of exists at all is because I learned economics as I was playing this game and I didn't know anything about economics. I hadn't taken any formal classes, I didn't know any of the terminology. And then I went to college and I already knew all this stuff cause I had already seen it and I had seen it through the people making decisions.

Speaker 4:	11:02	So did you think you had sort of a natural tendency towards understanding what economics was?

Speaker 1:	11:10	I don't know. Um, I think probably, but I think what's more important is that I had a natural curiosity and it was let's try something and see what happens.

Speaker 4:	11:23	So you try something and you see what happens in, in the game. Uh, at some point you decide to write a book about it. What, what caused you to write the book?

Speaker 1:	11:33	I actually was a reluctant writer.

Speaker 4:	11:40	Not, not too many of them. That's interesting. Okay. So, but, but what are the circumstances? I,

Speaker 1:	11:47	I played this game. I learned everything that I knew about economics and I was a sophomore in college. I was my classmates. This is why I chose to study economics. And they thought that the story was powerful enough that it would be useful for somebody else, which was amazing to me because two months before that I had actually deleted all of my data. Like I thought it was so worthless that I had just deleted all of my data, didn't care. And they said, no, you should, you should write that down. So I started writing. Wow. How long did it take to recreate the data? Um, I don't know if I ever fully recreated all of the data. Wow. So, so for our listeners, tell us a little bit, so what was the game that you immersed yourself in and that you learned these lessons from? And tell us a little bit about

how it works. So I think to give the paint that picture, so if anybody has ever played rune scape, which would probably be a younger generation than you guys. Oh, there was a nice dig. Anyway, keep going. Okay. Taking away that lifetime achievement award.

Speaker 1:	13:00	Um, so it's very similar to moonscape. The name of the game is eternal lands. Okay. And it functions like,
Speaker 5:	13:14	yeah,
Speaker 1:	13:14	like a normal economic system in some ways. Okay. At the base level you have the skill called harvesting and harvesting was collecting coal and iron ore or flowers and then the next skill was alchemy and you would use alchemy to make iron and steel bars out of the coal and iron or or you would make what's called magic essences out of the flowers and stuff like that. And then you had these other skills that use those products. There was crafting which would make magic rings and medallions that would make you a better fighter or teleport you places those used golden silver bars that were made through the alchemy skill. Okay. There's manufacturing which made weapons and armor to fight with using steel and steel and iron bars. Then there was the kind of side skills that people didn't focus on as much like summoning. You could use essences to summon monsters to help you fight or magic.
Speaker 1:	14:22	You could use magic to heal yourself or the potions skill. You could make special potions.

And so the objective of the game is literally survival and just gaining more skills and resources, et cetera.

What would the you, the objective of the game, it's something that's kind of hard for non-gamers to understand is there's no objective. Okay. It's kind of like a social, **it's kind of like a chat room with a game attached to it.** The idea is that you're, you're there to have fun being entertained with other people who are doing a similar activity. And essentially the objective is to say if you're a fighter, become a better fighter so you can fight more difficult monsters, which sounds like not that exciting but, but no, |
| Speaker 2: | 15:22 | it's actually human motivation.

Right? And so we talk a lot about, you know, why people do what they do on the, on the program. And one of those aspects |

is there's, there's extrinsic motivation and various different things of getting things in different elements. But then there's this intrinsic motivation which really comes at this element of mastery. And so, uh, we talk about that, like the, the idea of a, of a video game. If, if I was to go back into the, the very simple video games that I play, right. Uh, you know the pack man, if, if you go through level one of PAC man and you know, first couple of times you play it, you know, you die cause it's hard and different, don't understand. And then pretty soon you get better and then you get better. And pretty soon you master that, you get through level one a pack man and you get to level two and it's the same, you know, you're not going to continue to play in that. No one's going to level up. You need to have that bigger challenge. And what I'm hearing you say is that the, the, this game in and of itself doesn't necessarily have levels, but you can, but just by the very basic thing of it, the more skill, the more knowledge, the more resources, et cetera that you gain, um, you're going to be able to take on bigger challenges. And so it becomes part of the, the motivations internally inside of that game. Is that correct?

| Speaker 1: | 16:42 | Sounds right. ==**Um, the one thing I would add is there are levels within each specific skill. Okay. So if you're trying to produce something with the manufacturing skill, you have to be a certain level to produce like an iron shield and you have to be a certain level.**== So the objective is I want to get to a higher level so I can do this other thing that also doesn't matter. It's still entertaining for some reason. |

| Speaker 2: | 17:08 | And there's an element of, of showcasing your, your ability to do it. I mean, you know, in many of these uh, types of situations, it's this internal identity that you have and thus you want to make sure that you maintain that and grow that. |

| Speaker 1: | 17:25 | So how, so tell us about how economics comes into play in the game. |

So what's really interesting about this is economics happened to be just about everywhere. What was really interesting is the very first thing I discovered that I would say is economics based is **if you're producing an iron sword, your iron sword is exactly the same as everybody else's**. And if you're trying to sell it, you can't say mine is better because no one will believe you. Yours is exactly the same as everyone else's. ==**So if you want to compete with other people, you have to compete by saying, mine's the same as theirs, but I'm selling it for cheaper.**== That was the very first economics idea that I picked up on because I actually tried that. **I said, my swords are better and no one believed me**

because it wasn't true. **But I could say my swords are cheaper and people would take that. That was the very first economics lesson that I picked up**. I had no idea that it was economics. Yeah.

Speaker 4:	18:31	So, uh, what do you take away from this then? What, what did you start to start to see these economic lessons, uh, in the game because of pricing, for instance? Um, what do you take away from that?

Speaker 1:	18:50	I'm kind of confused by your question.

Speaker 4:   18:53   Okay. Well, uh, think about it as, um, I guess when I'm, when I'm thinking of is that you start to see these economic lessons in the, uh, in the game. And, uh, you know, this, this, this starts to add up I guess, right? Because there's more, how about this? Give us some other examples of other economic lessons that, that are coming from the, from the game.

Speaker 1:   19:17   Okay. Yeah. Um, another one that I picked up on was what people were doing in this game was when they want to produce some swords and shields first they would go and harvest all of the materials themselves. Then they would do all of the alchemy themselves to turn it into iron and steel bars. And then they would do all of the manufacturing all by themselves. And what I found out was **if there is a team of people working together, it can be done faster**.

Speaker 2:   19:52   You talked about that a little bit. You mentioned in the book that you were alone person and then there were these guilds, which are these teams that you talked about and you got recruited and you were a little skeptical at first, right? And then you joined and it was like, Oh, actually I kind of see it. And then you actually said, Hey, I'm a low level Guild member. I want to actually, with your brother who played the game, right? You went out and you, you said, Hey, we can form our own Guild and you know, be at the top of it, which is getting more of the resources and more of the stuff, right?

Yeah. The, the thing that

Speaker 1:   20:26   we realized was that the high level Guild leaders were hoarding all of the resources that their Guild members collected. And my brother's idea was, well, we should be those guys.

Speaker 2:   20:41   It's kind of, I mean, you think about it and the, the, the translation I took from that is, again, when you look at, when

you look at the way the world operates, you look at corporations, you look at government, you look at most any type of thing. The people at the top are rewarded the most. They, they get the benefits of all the people under benefits. Uh, almost the big pond XY, not ponds. I, what is it? The Ponzi scheme? No where it's not Ponzi, where you actually have the multilevel marketing where you know, the person who starts and they recruit two people and then each of those recruit two people and then they recruit to people and all of a sudden you get a little bit of each of those pieces. And that person at the top of the pyramid, uh, is it makes a lot more than the person at the bottom of the pyramid.

Speaker 2:	21:33	And that's growing and as the disparity is continuing. Anyway, we digress. So you learn. All right, so, so this, this economic principle of, uh, I think what Adam Smith was talking about, right, where you actually have a specialization and you know, uh, so that the pin fan, you facture manufacturers, pins and the, you know, the soap maker make soap and you trade using money in various different pieces. What else?

So that the economic idea behind that is actually, uh, economies of scale. If there are any economists listening to make sure I mentioned that so they know that I actually know what I'm talking about. Yeah.

Well, there were a couple of other things that you mentioned that were, was a little bit of a surprise cause my neoclassical economic training didn't include information about reputational capital. And you talk about reputational capital as being really important in the book.

Speaker 2:	22:35	Yeah, it was important in the game. Um, and it's more important in some industries than in other industries. Um, **it kinda depends on how easy it is to switch to a different service.** Okay. So everybody thinks of Comcast as just having a horrible reputation. But how easy is it to switch to another internet provider? Most of the time you probably can't do that. So they don't have to care about their reputation because you have to use their service in this game. It was really easy for somebody to just buy from somebody else. So if you are selling the same stuff as someone else, but you have a bad reputation, people won't deal with you. And that's hard. Right? That damages you in the overall scope of the game. Right. Well, and particularly when you talked about, you know, that iron sower that you are producing is no different than the iron sword that Tim's producing.

Speaker 2:	[23:35]	And so outside of price then the only other differentiation piece that you can probably have is aspects of your reputation, right? Yeah. Yeah. Uh, you and you, and you mentioned how, uh, if you have a negative reputation, it's, it's, it's hard to get just a neutral, right? Yeah.

==**What I found, uh, unfortunately the hard way was that if you already have a negative reputation and you're trying to repair that people will not believe you. They will not take you seriously. And they will say, well, you're just, you're just trying to fool me into thinking you're a good person so you can betray me later.**==

Wow. Very suspicious, huh. But, but again, I can go back to real life and I, we were talking before we started recording of some of the work that I used to do when I was first started off with it and in business is I did a lot of team building programs and a lot of different pieces.

Speaker 2:	[24:40]	And Tim, you've, you've been with me in a couple of these that I still do on, on the occasion. Cause it's good work. It's, it's good fun. But uh, but part of that is, is there's one uh, event that we do. It's called the electronic maze. And I lead it and it basically it's the carpet that is a six by nine looks like a checkerboard. Uh, when you step on the square, some of them beep, some of them don't. Teams have to find a path through. There's some other rules and different things in there. Can't talk very at other things. But me as a facilitator, and this is something we do on purpose, is that I will be there. I'll give them the rules, I'm kinda the, the person in charge. Um, and at some point I will start leading people through the maze and they, you know, they can't talk.

Speaker 2:	[25:24]	So I'm just pointing at things. Got you. Step here, step here. And they step in. It's good and it's good. And at one point in the game, I actually point them to the wrong square one that beats. Yeah. And then I laugh. I've always, and from there on, I will always point to the right squares. But they don't trust you at all. Nobody has ever trusted me after that fact, regardless of every single time. I mean, and then if they were paying attention, they would notice it. Yes, I am pointing at at the right square every single time. I am trying to help them out from that point onward. It seems very similar to to what this is, and I think that it translates out of these games and simulations into a real life lesson. Right? That Hey, building up that bad. The, you know, when you screw somebody over, they remember that for a lot longer than any positive things that you do.

Speaker 2:	26:18	**So reputational capital is hard to maintain. Yeah, it's very hard to maintain. It's hard to build up in the first place, but it's really easy to destroy. It's extremely easy for it to just slip away** if you, if you mess up or if you intentionally lead people to the wrong checker.

What were the things that you did to, once your reputation had been tarnished, what kinds of things did you do to build up your reputation in the game?

So after the reputation had been tarnished, which I'll, I'll leave that story for another time.

People can read the book.

Yeah. Or they can read the book. It's a fun story. Um, I, at first I tried to apologize and say, well, we were mistaken. We, we, we didn't mean to do that. Um, and the, the apology was not accepted. And then the other thing was, well, **let's rebrand our Guild. Let's change the name of it. So people don't remember what happened. And the people who were in the Guild actually said, no, we're, we're fine with this name. We will just accept our bad reputation.** And I thought about it and I thought, okay, I'll just play as a villain and see what happens. This might be more interesting than playing the same way everyone else does.

And how did that turn out?

It was spectacular.

Speaker 2:	27:48	In what way? What, what elaborate on spectacular.

It was so much more fun to be different within the Guild, within the, within the game, within the game. So it wasn't necessarily playing as a bad player. It was more fun and more entertaining just to play differently than the way other people did it. That's an interesting piece cause you did, you talked about uh, the idea of, of being open to change, right. And that new information coming in, uh, like for instance, one of the things that you mentioned at the beginning before we got on air was again, that you started to do things different and when you first did that, the first response from everybody was anger.

Yeah. Yeah. Um, that was the first response to just about everything that I did. And it was always anger, but no one ever

tried to figure out how I was doing this stuff or why I was doing it.

| Andrew: | 28:59 | And they always thought, well, he's just trying to ruin the game for the rest of us. So I would repeat that message because it was more entertaining for me to say that I'm just trying to ruin the game for the rest of you because that's what they thought I was doing, |

Kurt: …building into that reputation and building upon that. And so, but I think the interesting piece is that the initial reaction to new information or to new ways of doing something wasn't, uh, the idea of what can I learn from that? Or why are you doing that beyond this initial trying to screw us over piece to this idea of it's this emotional reaction that says, Ooh, this is different. Crazy stop. You know, don't, don't screw it up for the rest of us. Kind of a status quo bias that was going on very much so.

| Andrew: | 29:54 | Oh yeah. It was very much a status quo bias. And what was interesting is that the people who were upset were the people who currently held the power in the game. The people who were new, they didn't care. And the people who were on the weaker side, they didn't care either. |

Tim: So they were, they were more risk tolerant. Yeah. If you were coming from a deficit, if you were, if you were behind, if you were weaker.

Kurt: Yeah. Oh, go ahead.

Andrew: Oh, **my understanding of it was the people who already were powerful. They had a system that worked for them that made them powerful and they liked it. And what I was doing was changing that system and forcing them to have to consider some other strategy.**

Kurt: Yeah. The power dynamics. And again, you think about real world and those parallels show up. That's a yes.

| Kurt: | 30:56 | They do. **Very similar situation to a lot of what goes on within corporations, corporations, communities**. Uh, I mean it's a prevalent all over. So one of the other things that we wanted to talk about was incentives inside of the game. So can you talk a little bit about what kinds of incentives were structured into the game and how did those impact people's behavior playing the game? |

Andrew:		Yeah, that was one of the things that was really interesting to me when I was playing the game too. When you produce an item, you get experience points for producing that item. And if you're producing a more advanced or higher level item, you get more experience for that. If you sell it, then you also get gold coins. And the trick was everyone was complaining that when they sold things, they were losing money because if you added up the value of everything used to make it, that was more than what they sold it for.
Andrew:	31:58	And so everyone's saying, we can't make money. We can't make money. **But they were still doing it because they actually cared about the experience points. They didn't actually care about the money, but it was strange. Their voices said, we can't make money. We don't like this**. But their actions were, we're still doing this anyway because this is actually what we value. Right? And so again, understanding the underlying motivations of the people inside of the game, the, the outward appearance of getting gold coins right, is idea that that's what was really key.
Kurt:		But underlying it was really, you know what? I need these experience points in order to level up to get to that next level, which we talked about earlier, which was why people are doing this. They're not the gold coins inside of the game, help in certain areas, but that doesn't really get you to the next level to be able to move up.
Tim:	33:02	Or at least maybe not as, as I don't understand the game fully, but well in, in classical economics we think about rational agents do. Was there something rational or irrational about these people who are saying, I don't care about money, but in fact they do. Vice versa. Oh, excuse me, let's try it. They're saying they do care about money, but in fact they're, they're not acting in a way that's consistent with, with that.
Andrew:		I think their actions, I think their actions were rational. They were acting in a way that was rational by producing stuff and selling it at a loss because they were still benefiting with the experience points, but their words were not rational. Yeah.
Kurt:		Well, and again, you know, in, in, in economic theory it's about utility, right? We define why do you do things in order to maximize your utility. **And so it's, it's defining what utility actually is. And what you are saying is that the utility for these people is more in the experience points as opposed to the gold coins. And yet their voices were saying the gold coins are**

where my utility lies. But that wasn't what their behaviors were dictating.

Andrew:

Right. And another thing that I thought was really funny about this was

Andrew: [34:17](#)

when the game started getting disrupted, the very first thing they did was appealed to the game creator and say make a change that keeps us in power essentially is what they were asking for.

Kurt:

So going to the government and creating rules and regulations in order to or you know, perpetuate the power, a system that is currently well,

Kurt: [34:44](#)

so.

Tim:

All right. Uh, I have, I have another question. Something else you mentioned in the book that caught my attention was this idea that having the right people make decisions for the group. And, uh, I thought it was interesting that, that you framed it as having the right people make the decisions for the group rather than making the best decision or having, you know, people co collaborate in order to just produce the best decisions for the group. Uh, and tell me why you framed it that way.

Andrew:

Maybe because I hadn't thought of framing it the other way. That might be why but,

Kurt:

but how did it come about? Yeah, but to that point, and sorry to jump in here, but

Speaker 2: [35:30](#)

where I go with this is having the right people make the decisions, tends to be saying that, "Hey, if have the right people in the room, we will make the right decisions." And oftentimes I see that in the real world situation too, is that by **getting a good group of people and making sure that they're, you know, equipped to be able to make decisions in the, in, you know, make the, the, the types of decisions that are necessary, they will come up with the right answer**s.

Tim:

So they're much more likely to, if everybody is, especially if there's a lot of homogeneity in the group, if everybody is from the same background with the same opinions and the same perspectives. Right. You know? Oh, I would actually disagree. I think that **it's going to be better if we have more diversity in the group**. Okay. I see what you're going.

| Kurt: | 36:20 | Yeah, yeah, yeah. But we digress. Sorry. Sorry Andrew, answer the question that I just jumped in and answered. |

Andrew: I think also you really have to have people who are actually team players as, as part of your decision making process. And I think that's why I framed it as the right person making decisions because even if it's a group of people, they have to be having the same goals.

Tim: What are the qualities that make a good team player?

Andrew: Oh, that is something I hadn't thought about very much. But um, I would say in the first place, they're willing to listen to other perspectives. They're willing to consider those.

Andrew: 37:08 That might be the biggest thing actually is, is being willing to consider as many different perspectives as possible and weigh them accordingly.

Kurt: So Tim would not make a good team player. Oh, I'm sorry Tim, you're here.

Tim: I'm in the room. I'm the room.

Kurt: Tim is that Tim actually takes all the different perspectives. I'm the one who goes, no, my way's the right. Isn't it just easier to have one perspective than to be better that way. All right, so I think another piece that we were talking about before we got on air was this idea of **regulatory capture**. You want to talk a little bit about what that is and what you found from the game and that that situation?

Andrew: Yeah, so this is a spoiler, but there's that. There's some point in the game where someone from my Guild actually joins the development team, which is unusual.

Andrew: 38:08 Most games like this have a development team of their own. They don't take players, and part of joining the development team means you have to promise not to specifically favor one group or another, and the sky did not keep that promise. He, he helped us out

Kurt: …and building into that reputation a already you guys kind of be in the rebels in the, in the, in the group or in the game.

Andrew: Yeah, absolutely. We probably should not have been able to do that, but so what's the lesson learned from that? So you talk

about, cause **regulatory capture happens in the real world all the time, right? You use somebody in business and they get on the, you know, governmental regulation, you know, panel that overviews that from a state level, city council, whatever. What, what, what are the insights that you take from that**?

Andrew: Well, it's really tough to, to know if someone is going to play fair, but the idea is, for example, ==if you're playing a game of Monopoly and one person is going to be the banker, but they're also one of the players, you have to at least trust a little bit that they're not going to be taking money out of the bank and giving it to whoever they want to==.

Kurt: 39:31   Cheating. Yep.

Tim: Yeah. Yeah. I think we would call that cheating.

Kurt: And I think, I think the hard part, at least from the, you know, the psychology of this is you can have the best intention. So you can be that person who gets tapped to be in the development role. And I don't know if this was the case for the person that you were talking about. And yet there are underlying subconscious components that lend yourself to the idea of that even just putting in the rules and regulations and not necessarily understanding that you're doing this to help the, the Guild that you were from or the organization that you are from. But because of the very nature of how we think that happens and it happens, context matters, context matters. And so it's like going in and thinking about, Oh, can we put in these rules for how the city does bids for, you know, getting a new road or building a new building or doing whatever that would be.

Speaker 2:   40:38   And if you come from an industry and you go, well, this is how we did our bids. And I like that way. And so thus you put in the rules that kinda allow that bid process to happen the way that you had done it in your old life. Well that tends to, you know, allow those people who, that organization that did the bid that way to have a have a leg up and it wasn't necessarily intended to do that, but it was the what because of that background that you add knowing the how that works for you and you obviously did it for a reason. So how did, how did regulatory capture impact the other players, the other guilds?

Andrew: Well, it's funny because that's sort of what they were asking for when they were appealing to the game creator and asking for changes that would help them. And I actually was able to that in a different way, [Tim: in a more successful way. Sounds like.] And it was really bad for the other players.

Tim:		How did they react?
Andrew:		Well, they actually never found out that this happened. So when the book comes out they'll learn for the first time
Kurt:	41:55	or when this podcast comes out. Yeah, they hear it from there.
Tim:		That's a much bigger spoiler than I could have ever imagined. Wow.
Kurt:		So, so Andrew, with that there's ==ethics== involved. Yes. Right. So let's talk about the ethics, not just the ethics within the game of how that worked, but just ethics in general as it, as it portrays to this whole concept of, you know, what are your ideas, like how did ethics play in how you played the game and how you're the guy, the person who went to be the developer and the overall
Kurt:	42:30	game mechanics.
Andrew:		What was interesting about these ethical questions, which I, at the end of the book, I have a thing where these are suggested topics of discussion and ethics is an almost every chapter because there's some unethical thing. The identity that I came up with in the game was I'm going to be an unethical person because I have a bad reputation. So I'm going to play this way as this character and not necessarily the way I would do things in real life. But this is an experiment. This is a game. This doesn't really matter for the real world. However, people do behave this way in the real world sometimes.
Kurt:		And I think that's the key piece, right when we think about this are, so what were the consequences for unethical behavior inside the game?
Andrew:	43:25	Yeah.
Andrew 2:	43:27	It seems that you were rewarded more than punished actually.
Tim:	43:35	Yeah. Yeah. I that I, I'm just kind of stunned. My jaw is on the floor on that and yet I'm thinking this is how the real world works as well. Like we, uh, we have lots of evidence of, um, of this happening, uh, in, in, in, uh, that we, that we consider someone who might have, uh, who, who did really well financially, uh, but might've cheated just a little bit
Kurt:	43:59	or, or maybe not even a little bit, maybe a lot, maybe a lot. Yeah.

Tim:	44:02	There might be something admirable about that, that they might, you know, be, be given accolades F
Kurt:	44:08	for that. Well, the, we had Jeff Kreisler on our hundredth episode and he wrote a book all about cheating and getting ahead by cheating. And you know, it was a tongue in cheek, but yet, uh, he tells the story of, he when he presented that he came in persona to present a Dan Ariely's class down at Duke, and he was doing this whole thing about how people appreciate, you know, success and the best way to get success is to cheats. And so isn't that the right way to doing it? And he said, inevitably about 20 minutes into his presentation, somebody would meekly it, well, isn't that wrong? And then he'd ask the class and he said **about a third of the class would say, no, that's not wrong**. And which is part of why he ended up writing the book with Dan Ariely and what they did. Um, but uh, that's fascinating. If you think about that and you go, all right, these are business or an MBA student
Kurt:	45:08	and a third of them who are being told pretty blatantly to cheat …
Speaker 2:	45:15	and they don't find something wrong with that. And that's publicly saying that, you know, I would, in a classroom, you have to wonder about the actual number of people. And as you said, nobody knows about this, some of the ethic unethical things that were going on until now. And so
Speaker 1:	45:36	it, it disheartens me. Were there other, were there other unethical actors in the game? Oh, definitely.
Andrew:		Um, so there, there was a kind of a split between people who produce things and people who were fighters. Okay. And the fighters would just do anything to attack each other or find some way to, to gain power over another fighter group? Yeah, they would do,
Speaker 2:	46:22	Oh, I can't remember things. Yeah. That's okay.
Tim:		I want to switch over to music. Okay. Okay. I want to, I've been waiting to ask you this question, Andrew. What is on your playlist? What is, I actually had to write this down because I listened to what YouTube tells me to listen to it. And uh, apparently my favorite band is stained. Oh. And uh, I like
Speaker 1:	46:51	the fray Coldplay fuel green day. Uh, I generally just listen to whatever shows up on the YouTube playlist. But one thing I

realized when I was finding the answer to this question was all of these,

Speaker 2:	47:08	these are from around the same time period, and I've always made fun of old people for listening to music from the same time period. And I realized I'm doing that now. Well, there's good, there's good neurological reasons for that, that that's not accidental, that that happens the way the music imprints on us. So, so what's the era? What, when, when were these songs, um, reaching you in your life? How old were you? Um, I would say probably 12 to 15. Oh my God. You've just, you've, you've added a data point to Tim's idea here and I'm having confirmation bias, totally confirmatory, uh, and uh, and wa, but why do you like those, uh, aside from let's say, the neurological subconscious stuff, but why do you like that music? Well actually part of it is as I was writing my book, I was using music and listening to specific songs that I was playing at the time that I was playing the game to make it easier to remember things.
Speaker 2:	48:15	Where you actually listening to music while you were writing the book, like while you were sitting at your computer writing? Yes. Yeah. Okay. Tim going? Yeah. No, Kurt's having confirmatory bias, so it does. All right, so this is a silly question. Does the game itself have music built into it? I know a lot of the games today, like my son got into techno music because it was played, you know, it was the background. So the games that he played, uh, this game didn't have any sounds at all. Yeah, no music, no sounds. So it was generally whatever you had playing your own. Yeah. No sound effects. No, I, no battle sounds no clinking of gold coins. No. That's amazing because you know, I would ask some of our listeners turn on a movie and watch it with subtitles without any sound and the emotional impact is significantly reduced.
Speaker 2:	49:25	We are that the audio portion of anything visual, video game included is significantly enhanced by the audio. Did I just say that again? Did you say right, okay. The video component is enhanced by the audio. Yeah. So to have a video game with no with zero soundtrack is really interesting. So, but all right, so Andrew, how big was this game? How many players got out of this game at any point? Um, at the peak it was about 3000 people that played C, whereas a rune scape, right. Or world of Warcraft are millions. Right. Might be because it didn't have any music. Well, I, that would be my conclusion instantly.
Kurt:	50:16	There you go. Okay.

Tim: So, uh, can you, you, you work in the real world. Do you have clients? Do you listen to music while you're doing client work?

Andrew: It depends on what I'm doing. If I'm reading, I don't listen to music at all. I'm focused on what I'm doing. If I'm writing, then I'm listening to music.

Tim: Wow. Can you listen to any kind of music?

Andrew: I can generally listen to any kind of music, but I've, what I found is I don't necessarily prefer a specific genre. **I prefer a specific sound and it's something that feels like there's a soft thunderstorm happening in the background**. That's generally the sound that I like to listen to you. And that happens in several different genres.

Tim: Very soft thunderstorm. I love that description. That's really terrific. Okay.

Kurt: Andrew, thank you. This has been, I think it's very fun. Yeah. Oh, we're talking video games and an economics and psychology and, Oh my gosh. What

Kurt: 51:17 could anyone ever watch and music and music. Well, yeah, there's that. So anyway, thank you for being a guest and, and uh, thanks for being, you know, up to the medallion that we're going to have to give you for,

Andrew: I'm so excited, so excited.

Speaker 2: 51:39 Okay. We'll stop recording there. All right, thank you. What do you think? Oh, I like it. Yeah. All right. We weren't too, too bad on that. I really, I think there's some fun, interesting stuff in here. And, um, you took on this persona, that ego, it's a game I can take on a persona. But what you're saying is that that wasn't always the case.

Andrew: No. Some people saw that their real identity was who they are in the game. Wow. And, and when I started changing the game, that was changing the way the world worked for them and therefore changing their identity. And that's I think is why a lot of people didn't like what I was doing.

Kurt: So it's not just like we're playing a game and now they have the rules of the game or are changing. And so I just changed with it.

Kurt:	52:34	No, I actually have put myself in this role and this is who I am and you're changing my world. It's like this, this, this online world that should just be a game took on a bunch of bigger meaning for many of these people. That's what it seems like you are able to differentiate between the real world and the game where you have a real world personality and then in the game you modified your game personality to be very different.
Andrew:		Yeah. I thought that maybe the reason why I didn't necessarily see it the same way is because my life in the real world was fine. So I didn't need, I didn't need to feel like I was the same person in the real world because my, my life in the real world is okay, so I'm not going to be upset if this other identity I created doesn't work out right.
Kurt:		Unless, because I'm, I'm making the assumption of knowing you for a while that year, this nice guy and you, you're ethical and everything else, unless you're fooling us and really, you're this deeply
Kurt:	53:53	sinister guy who is like pulling the wool over the gun. People in the game didn't know that you were messing with them. Maybe we don't know that you're messing with us.
Andrew:		I will confess that
Andrew:	54:03	every board game that I play, I play it wrong. I don't cheat, but I play it wrong and it doesn't make any sense.
Kurt:	54:14	Oh. So in other words, don't play a board game with you. If we expect to play by the, the way that the Monopoly works or
Kurt:	54:22	Risk works or whatever that I choose to play these games where
Andrew:		I pick some person and instead of trying to win, I try to make that person lose and I find that more entertaining for myself than actually trying to win.
Kurt:		You piss off a lot of people. I
Speaker 3:	54:41	well,
Kurt:		I will tell you that business idea of fairness and the, and the way that the rules work, I would make the assumption that when you play to make somebody else lose as oppose to you winning will not only piss off the person that you're trying to make lose, but probably many of the other players in the game.

Andrew:	[55:01]	I'll give an example of a monopoly game that I played once I was playing with my wife and another married couple and one of them had Park Place and I had Boardwalk. So I traded Boardwalk to the other one. And they spent the whole time arguing over who gets to have the combination of Park Place and Boardwalk. Yeah. And I thought it was amazing.
Kurt:	[55:27]	So does that couple like hang out with you guys anymore or did you just piss them off so much that now
Andrew:		we've moved.
Kurt:		Oh, that experiment. Sorry. Oh, very fun. Okay. I like that. We'll add that in. I think that was cool. I think that was some, again,
Kurt:	[55:49]	you know, these real world, the, the, the way that people, so again, I think the idea of, of having that persona in an outline game like this, I think that's one of the things I'd like to, we should, before we do our grooving, we should research some, I know there's been research on that, like how people internal their avatar and everything else that they have and how that, that gaming life is more real than this real life for some people. My guess is that people who see the game world is more real, don't a very good life. Real life. Did you watch the Guild, uh, any of the YouTube, uh, with um, uh, what's the, the actress name? Um, it was a YouTube series that they video series back probably 15 years ago now. I've heard of it, but I never watched it. It's, it follows this group of Guild players and they play this game and you know, for some of them the Guild is obviously much better place for them than real world.
Speaker 2:	[57:00]	And they have all these different, so they have each of the players and the Guild and it's actually really good. Uh, Felicia, uh, not full of city. Um, Oh God, I had a crush on her for awhile. She has, she's a redhead. Um, anyway. Uh, is is good. Yeah. So the, that reminds me of something that some people have mentioned when they read my manuscript that I think is funny that I didn't think about very much at the time, but this is a fantasy game. And everybody, when they start their Guild, they come up with a fantasy name and a story, some kind of fantasy or we have a reason. And the name that my brother and I chose is just rich, which is the most stereotypical villain name you could possibly think of. And it's so far outside of what anyone else would think is reasonable. Yeah. Well, you're just trying to get rich right there. Yeah. Yeah. Good. All right, cool.